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EAST JEFFERSON COMMUNITY HEALTH CENTER, INC.

Independent Auditor's Report and Financial Statements  
For the Two Years Ended December 31, 2004

Deemer CPA and Consulting Services, LLC

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/3/05

**East Jefferson Community Health Center, Inc.**

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**Independent Auditor's Report**

**To the Board of Directors  
East Jefferson Community Health Center, Inc.**

I was engaged to audit the accompanying combined statements of financial position of East Jefferson Community Health Center, Inc. (the Health Center, a nonprofit organization) as of December 31, 2004, and the related combined statements of activities, functional expenses, and cash flows for the two years then ended. These financial statements are the responsibility of the Health Center's management.

The accounting and reporting process for patient revenue, grant revenue, payroll, cash disbursements, fixed assets, prepaid expenses, accounts/grants receivables and accounts payable were ineffective during the two years ended December 31, 2004.

Additionally, the management of East Jefferson Community Health Center, Inc. was unable to provide supporting documentation for most of the previously mentioned financial statement accounts. There was an excessive use of journal entries which were recorded without explanation. As a result, the accuracy and appropriateness of the transactions and balances contained within these accounts was indeterminable. Management would not provide written representations regarding the financial statements.

The East Jefferson Community Health Center's management also did not present statements of cash flows in accordance with generally accepted accounting principles. These statements would provide details of the financial position of the organization, results of operations, and cash flows at December 31, 2004.

Due to the significance of the matters described above, and since the scope of work was not sufficient, I am unable to express and I do not express, an opinion on the financial statements of the East Jefferson Community Health Center, Inc.

In accordance with Government Auditing Standards, I have also issued my report dated June 20, 2005 on my consideration of East Jefferson Community Health Center, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contract, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report, which explains that I did not audit the accompanying financial statements.

The accompanying schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, is presented for purposes of additional analysis and is not a required part of the basic financial statements of East Jefferson Community Health Center, Inc. Such information has not been audited as explained relative to the basic financial statements taken as a whole.

*Heemer CPA and Consulting Services, LLC*  
New Orleans, Louisiana  
June 20, 2005

**East Jefferson Community Health Center, Inc.**  
**Statement of Financial Position**  
**As of December 31, 2004**

**Assets**

Cash & Cash Equivalents	\$ (210,980)
Accounts Receivable	77,441
Prepaid Expenses	72,439
Fixed Assets, net of accumulated depreciation	<u>1,014,727</u>
<b>Total Assets</b>	<b><u>\$ 953,627</u></b>

**Liabilities and Net Assets**

Accounts Payable and accrued expenses	\$ 796,800
Unearned Revenue	232,500
Payroll Taxes payable	100,633
Line Of Credit	<u>29,500</u>
<b>Total Liabilities</b>	<b>\$ 1,159,433</b>

**Net Assets**

Restricted	\$ 422,145
Unrestricted	<u>(627,951)</u>
<b>Total Net Assets</b>	<b><u>(205,806)</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 953,627</u></b>

*The accompanying notes are an integral part of these financial statements*

**East Jefferson Community Health Center, Inc.**  
**Statements of Activities**  
**For the Two Years Ended December 31, 2004**

	<u>2004</u>	<u>2003</u>
	<u>Unrestricted</u>	<u>Unrestricted</u>
<b>Revenues, Gains, and Other Support</b>		
Grant Income	\$ (33,518)	\$ 1,366,512
Medical Service Income	417,470	339,712
Interest Income	<u>82</u>	<u>117</u>
<b>Total Revenues, Gains, and Other Support</b>	<u>\$ 384,034</u>	<u>\$ 1,706,341</u>
<b>Program Services</b>		
Program Expenses	747,424	1,921,477
<b>Support Services</b>		
General & Administrative	<u>42,337</u>	<u>115,406</u>
<b>Total Expenses</b>	<u>\$ 789,761</u>	<u>\$ 2,036,883</u>
<b>Change in Net Assets</b>	(405,727)	(330,542)
<b>Net Assets At Beginning Of Year</b>	<u>199,921</u>	<u>530,463</u>
<b>Net Assets At End Of Year</b>	<u><u>\$ (205,806)</u></u>	<u><u>\$ 199,921</u></u>

The accompanying notes are an integral part of these financial statements.

**East Jefferson Community Health Center, Inc.**  
**Notes to the Financial Statements**  
**For the two years ended December 31, 2004**

**1. Summary of Significant Accounting Policies**

**General**

East Jefferson Community Health Center, Inc. is a nonprofit corporation that provides primary health care services to many underserved residents of Jefferson Parish. The Federally Qualified Health Clinic (FQHC) is located at 11312 Jefferson Highway, in River Ridge, Louisiana and provides healthcare, dental and WIC services.

**Basis of Accounting**

The accounts of East Jefferson Community Health Center were represented as maintained in accordance with fund accounting principles to ensure that both resources and disbursements are classified according to the activities and objectives specified.

The net assets and changes therein of East Jefferson Community Health Center are as follows:

- Unrestricted Net Assets – Net Assets not subject to donor-imposed restrictions.
- Temporarily restricted Net Assets – Net assets subject to donor-imposed restrictions that may be met either by an action and/or through the passage of time.
- Permanently restricted Net Assets – Net Assets subject to donor-imposed restrictions that will not expire through the passage of time and/or an action.

**Federal Income Tax**

East Jefferson Community Health Center, Inc. is exempt from Federal income tax under the Internal Revenue Code Section 501(c)(3).

**Allowance for Doubtful Accounts**

The health clinic requires payment for services at the time of the patients' visit or a third-party reimbursement is requested. A receivable is recorded for any unpaid patient fees or

### **Summary of Significant Accounting Policies (continued)**

for any amounts billed to third parties. Receivable amounts that are deemed uncollectible are estimated by management and written off.

#### **Grants Receivable**

Grant receipts are recognized when the granting agency makes a promise to give funds to the health center. Grants with stated conditions are recorded when the conditions are substantially met by the health center.

#### **Land, Building and Equipment**

Improvements which significantly extend the useful life of an asset and purchases of land, buildings and equipment are capitalized at cost. The straight line method of depreciation is used for the assets owned by the East Jefferson Community Health Center, Inc. Gifted long-lived assets are reported at their estimated fair market value and as unrestricted, in the absence of donor-imposed restrictions on the use of assets.

#### **Cash and Cash Equivalents**

Cash is comprised of cash on hand and in banks.

#### **Use of Estimates**

The financial statements of East Jefferson Community Health Center, Inc. are prepared in conformity with generally accepted accounting principles which include estimates made by management. Accordingly, actual results may differ from those estimates.

#### **Economic Dependency**

The East Jefferson Community Health Center, Inc. receives the majority of its funding from grants and contracts with federal, state, and local agencies. Any significant budget cuts or reduction in grants, contracts, and/or donations could have a significant impact on the operations of the organization.



## **2. Operating Leases**

East Jefferson Community Health Center, Inc. had two lease agreements during the fiscal years under audit. Rent was \$650 each month for Suite 1 in the Rivertown Square Shopping Center, and \$500 per month for Suite 11 at the same location. Both leases expired during the audit period and were not renewed.

## **3. Contingencies**

Several civil suits have been brought against the East Jefferson Community Health Center, Inc. by creditors and former employees alleging nonpayment of invoices and certain benefits. The financial statements have not been adjusted for the potential impact of these impending lawsuits.

Additionally, in May 1995, the health center was awarded a grant from the Jefferson Parish Council, in the amount of \$452,000 from the Community Development Block Grant fund. The terms of the grant provide for request of repayment under certain circumstances, which include change of ownership of the organization from a non-profit to a for-profit organization and/or changes in the use of its' assets procured with the grant funds. The terms remain in effect until the year of 2015.

## **4. Failure to Complete Medicare Cost Reports**

As of the date of this report, the East Jefferson Community Health Center, Inc. has not completed the required Medicare cost reports for the fiscal years ended June 30, 2003 and June 30, 2004. The Medicare and Medicaid funding to the health center has been interrupted pending the filing of the cost report.

**East Jefferson Community Health Center, Inc.**  
**Schedules of Functional Expenses**  
**For the Two Years Ended December 31, 2004**

	<u>Program Services</u>	<u>Support Services Management And Administrative</u>	<u>2004 Total</u>	<u>Program Services</u>	<u>Support Services Management And Administrative</u>	<u>2003 Total</u>
Salaries	\$ 474,154		\$ 474,154	\$ 1,003,763		\$ 1,003,763
Payroll taxes	38,840		38,840	81,112		81,112
Travel and Transportation	10,122		10,122	44,076		44,076
Medical Supplies	47,825		47,825	155,853		155,853
Postage and Printing	2,882		2,882	4,459		4,459
Relocation Expense			0	5,121		5,121
Telephone	18,376		18,376	37,926		37,926
Labs Medical/Dental	24,255		24,255	19,567		19,567
Computer Maintenance	1,851		1,851	15,537		15,537
Utilities	20,311		20,311	26,796		26,796
Construction Expense	2,400		2,400			0
Office Expense	15,191		15,191	24,515		24,515
Insurance	18,596	18,418	37,014	85,164	39,182	124,346
Repairs & Maintenance	1,652		1,652	7,279		7,279
Computer Expense	6,543		6,543			0
Medical Records	2,356		2,356	2,390		2,390
Contracted Services	34,446		34,446	342,161		342,161
Janitorial Services	4,283		4,283	24,799		24,799
Advertising		3,861	3,861		2,978	2,978
Lawn Maintenance		6,200	6,200		13,750	13,750
Dues & Subscriptions	4,658		4,658	2,564		2,564
Interest				6,436	6,436	12,872
Board Member Exp		240	240			
Billing System Support		7,958	7,958			9,765
Depreciation	1,426		1,426	9,758		9,758
Alarm System		3,179	3,179		46,667	46,667
Miscellaneous	17,257	798	17,257		1,361	1,361
Bank Charges		1,683	1,683	12,436		12,436
					5,032	5,032
<b>Total Expenses</b>	<b>\$ 747,424</b>	<b>\$ 42,337</b>	<b>\$ 789,761</b>	<b>\$ 1,921,477</b>	<b>\$ 115,406</b>	<b>\$ 2,036,883</b>

See The Independent Auditor's Report.

**Report on Compliance and on Internal  
Control Over Financial Reporting Based on an Audit of  
Financial Statements Performed in  
Accordance with Government Auditing Standards**

**To the Board of Directors  
East Jefferson Community Health Center, Inc.**

I was engaged to audit the financial statements of the East Jefferson Community Health Center, Inc. as of and for the two years ended December 31, 2004, and have issued my report thereon dated June 20, 2005. I did not express an opinion on the financial statements, because of the significant inadequacies in the internal controls of the organization, the lack of detailed information and supporting documentation available regarding various account balances. I was not able to apply other auditing procedures to satisfy myself in these areas.

**Compliance**

As part of obtaining reasonable assurance about whether the East Jefferson Community Health Center, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as items 04.2, 04.4, 04.11, 04.12, 04.16 through 04.18.

**Internal Control Over Financial Reporting**

In planning and performing my audit, I considered the East Jefferson Community Health Center, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve

matters coming to my attention relating to significant deficiencies in internal control over financial reporting that in my judgment could adversely affect East Jefferson Community Health Center's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 04.1 through 04.18.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be reportable conditions and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. I believe that all of the reportable conditions mentioned previously are also considered to be material weaknesses.

This report is intended solely for the information of the East Jefferson Community Health Center, Inc.'s management, grant awarding agencies, and the State of Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Deane, CPA and Consulting Services, LLC*

New Orleans, Louisiana  
June 20, 2005

**Report on Compliance With Requirements Applicable  
To Each Major Program And Internal Control Over  
Compliance In Accordance With OMB Circular A-133**

**To the Board of Directors  
East Jefferson Community Health Center, Inc.**

I have audited the compliance of East Jefferson Community Health Center, Inc. with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal programs for the two years ended December 31, 2004. East Jefferson Community Health Center Inc.'s major federal programs are identified in the summary of results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of East Jefferson Community Health Center, Inc.'s management. My responsibility is to express an opinion on East Jefferson Community Health Center, Inc.'s compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit consists of examining, on a test basis, evidence about East Jefferson Community Health Center, Inc.'s compliance with those requirements and performing such other procedures, as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of East Jefferson Community Health Center, Inc.'s compliance with those requirements.


In my opinion, East Jefferson Community health Center, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the two years ended December 31, 2004. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 04.19 through 04.20.

### Internal Control Over Compliance

The management of East Jefferson Community Health Center, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered East Jefferson Community Health Center Inc.'s internal control over compliance with requirements that have a direct material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

I noted certain matters involving the internal control over compliance and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect East Jefferson Community Health Center, Inc.'s ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The reportable conditions are described in the accompanying schedule of findings and questioned costs as items 04.1-04.18.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I consider 04.1-04.18 to be material weaknesses.

  
New Orleans, Louisiana  
June 20, 2005

East Jefferson Community Health Center, Inc.  
Schedule of Expenditures of Federal Awards  
For the Two Years Ended December 31, 2004

<u>Federal Grantor/ Pass Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>	
		2003	2004
U.S. Department of Housing & Urban Develop. Jefferson Parish Community Development Dep't. Community Development Block Grant	14.218	148,165	8,280
U.S. Department of Health & Human Services: Health Resources and Services Administration	93.224	<u>671,450</u>	<u>0</u>
Total expenditures of Federal awards		<u>\$819,615</u>	<u>\$8,280</u>

See notes to schedule of expenditures of federal awards.

East Jefferson Community Health Center, Inc.  
Notes to Schedule of Expenditures of Federal Awards  
For the two years ended December 31, 2004

1. Basis of Presentation:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the East Jefferson Community Health Center, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations.

2. Findings of Noncompliance:

Findings of noncompliance are included in the Federal Awards section of the Schedule of Findings and Questioned Costs for the year ended December 31, 2004.



East Jefferson Community Health Center, Inc.  
Schedule of Findings and Questioned Costs  
For the two Years ended December 31, 2004

Section I: Summary of Auditor's Results:

a) Financial Statements

Type of auditor's report issued: Disclaimer

Internal control over financial reporting:

- Material weakness(es) identified? ☒ yes ☐ no
- Reportable condition(s) identified that are not considered to be material weaknesses? ☒ yes ☐ no

Noncompliance material to the financial statements noted ☒ yes ☐ no

b) Federal Awards

Internal control over major program:

- Material weakness(es) identified? ☒ yes ☐ no
- Reportable condition(s) identified that Are not considered to be material weaknesses ☒ yes ☐ none reported

Type of auditor's report issued on compliance for major program: unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133

☒ yes ☐ no

c) Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>	<u>Year</u>
93.2224	Community Health Centers	2003
No major federal programs		2004

Dollar threshold used to distinguish between Type A and Type B programs

\$300,000

Auditee qualified as a low-risk auditee?

☐ yes ☒ no

**East Jefferson Community Health Center, Inc.  
Schedule of Findings and Questioned Costs  
For the two years ended December 31, 2004**

**Section II - Financial Statement Findings**

**04.1      Staff Turnover**

**Criteria:**

Internal Controls and sound business practices require consistent and adequate staff for overall business operations.

**Condition:**

The accounting department had three different Chief Financial Officers in the two years under audit and three different Executive Directors. In addition, there were several persons placed temporarily in those seats when they became vacant over the past two years.

**Cause:**

The cause for turnover in these positions was indeterminable.

**Effect:**

Without adequate and consistent personnel in these positions, errors, irregularities, and non-compliance with laws and regulations could exist and not be detected.

**Recommendation:**

The East Jefferson Community Health Center, Inc. should seek to employ and maintain a Chief Financial Officer and Executive Director to adequately staff their clinic operations.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.2 Incomplete, Untimely, and Un-reconciled Financial Statements**

**Criteria:**

Financial statements should be completed and reconciled on a monthly basis. Additionally, at the end of each fiscal year, the statements should be reviewed for required year-end adjustments and/or reclassifications.

**Condition:**

Bank accounts remain un-reconciled for the two years ended December 31, 2004 and the financial statements of the clinic appear to be incomplete and inaccurate.

**Cause:**

An appropriate level of supervision related to accounting was not provided by the East Jefferson Community Health Center's business office.

**Effect:**

Without complete, reconciled financial statements maintained in a timely manner, the financial condition of an organization is indeterminable. Additionally, there is a substantial risk that omissions, errors, and/or irregularities can exist and not be detected.

**Recommendation:**

It is recommended that the East Jefferson Community Health Center, Inc. employ an adequate accounting staff who will be required to submit complete and reconciled financial statements on a monthly basis to both upper level management and the Board of Directors.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

### **04.3 Inappropriate Use of Journal Entries**

**Criteria:**

A system of sound internal controls would include a review and approval of all proposed journal entries by the organizations' accountant. The number of journal entries should be limited, since most transactions are developed through normal cash receipts and check disbursements.

**Condition:**

During my attempt to audit the financial statements of the clinic, I noted an excessive number of journal entries. Additionally, the journal entries were made without an explanation appearing in the general ledger. There were no journal entry forms maintained on file which may have indicated the reason for each adjustment.

**Cause:**

The overall lack of controls relative to the accounting process, as well as the repetitive turnover of Chief Financial Officers contributed to this condition.

**Effect:**

The lack of adequate controls over the posting of journal entries, may cause errors, irregularities, and/or duplications that may exist and not be detected timely.

**Recommendation:**

Journal entries should be kept to a minimum and should not be posted without prior review and approval from an accounting supervisor. Journal entry forms should be maintained to fully explain the reason for the entry and to show proper review and approval prior to posting.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.4 Fund Accounting Not Fully Implemented**

**Criteria:**

The East Jefferson Community Health Clinic receives funding from various federal, state, and local governmental agencies. The rules and regulations of those agencies forbid commingling of funds.

**Condition:**

It was noted that separate classes of expenses were generated to record clinic transactions, however, most of the account classes were not utilized.

**Cause:**

Ineffective internal controls in the accounting department, and a lack of communication regarding the recording of expenditures is apparent.

**Effect:**

The failure to properly utilize the expense classes has led to improperly recorded transactions and an inability to report to the various funding sources where their particular funds were spent.

**Recommendation:**

An accounting file with appropriate expenses classes must be utilized.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.5 Fixed Assets Schedule Not Maintained**

**Criteria:**

The Louisiana State Revised Statute 24:515(b) requires that all governments "shall maintain records of all land, buildings, improvements other than buildings, equipment, and any other general fixed assets which were purchased or otherwise acquired, and for which such entity is accountable."

**Condition:**

A fixed asset detail was requested to account for the change in fixed assets from the prior fiscal year. A schedule was provided, however, it had not been updated since the prior fiscal year.

**Effect:**

The lack of adequate internal controls over fixed assets and accounting in general, compromises the safeguarding of assets. Additionally, the fixed asset amount included in the financial statements could not be fully tested.

**Recommendation:**

Adequate policies and procedures relating to fixed assets should be adopted and fully implemented in the business office of the clinic.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.6 Computer Laptops Not Located**

**Criteria:**

The Louisiana State Revised Statute 24:515(b) requires that all governments "shall maintain records of all land, buildings, improvements other than buildings, equipment, and any other general fixed assets which were purchased or otherwise acquired, and for which such entity is accountable."

**Condition:**

The clinic purchased seven laptops in 2003 to be utilized by personnel members. At the time of audit, the clinic could only locate two of the seven laptops.

**Cause:**

There is an overall lack of accountability for assets at the East Jefferson Community Health Center, Inc.

**Effect:**

The assets of the health clinic cannot be located.

**Recommendation:**

The health clinic should develop and implement policies and procedures that will safeguard the assets of the organization.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.7 No Operations and/or Accounting Manuals**

**Criteria:**

Adequate internal controls relating to personnel actions and general operations require a current reference point for employees to ensure their adherence to best practices and the organizations' policies.

**Condition:**

The organization did not have any written operations and/or accounting manuals on file during the two fiscal years ended December 31, 2004.

**Cause:**

It was indeterminable as to why there were no manuals or written policies and procedures.

**Effect:**

There was an overall lack of knowledge, or adherence to certain policies and procedures that would have allowed for "best practices" to occur at the health clinic. As such, certain assets are missing and accounting records are deficient.

**Recommendation:**

Operating and Accounting Manuals must be developed and maintained. They should be provided to staff as a reference point that is deemed important to day to day operations of the organization.

**Management's Response:**

Management did not provide prior to the issuance date of this report.



#### **04.8 No Record of Funds Used from A Certificate of Deposit**

**Criteria:**

State audit law requires that a specific audit trail be maintained regarding the expending of government funds.

**Condition:**

There was an \$11,000 certificate of deposit maintained at a local bank, however, the certificate of deposit was cashed and information regarding the spending of those funds was not provided.

**Cause:**

There is an overall lack of internal controls at the East Jefferson Community Health Center, Inc.

**Effect:**

The lack of adequate internal controls related to the disbursement of funds could result in errors, irregularities, and misappropriation of assets.

**Recommendation:**

Funds should not be made available and/or spent at the East Jefferson Community Health Center, Inc. until they have gone through a documented approval process with checks and balances in place.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.9 Credit Card Records Unavailable**

**Criteria:**

The proper adoption and implementation of internal controls will ensure accountability with regards to the disbursement of funds and subsequent reporting of those transactions in an organization. A credit card can secure purchases without any prior request or approval of clinic officials.

**Condition:**

There were several payments made to credit card companies without a detail of the items purchased and/or the persons responsible for the purchases. Credit card statements were not made available during my attempt to audit the financial statements of the clinic.

**Cause:**

The use of a credit card does not allow for proper approval of expenditures and makes it difficult to maintain appropriate documentation on file related to expenditures.

**Effect:**

The lack of adequate controls related to cash disbursements may have resulted in unauthorized purchases.

**Recommendation:**

It is recommended that all credit card accounts be closed and the East Jefferson Community Health Center, Inc. utilize a purchase requisition and/or purchase order system.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.10 Inadequately Documented Employee Earnings**

**Criteria:**

Internal controls related to payroll and human resources, requires an employee file to include the duties, position, and salary amount for each employee.

**Condition:**

Payments were made to the daughters of a prior Board member who informed State officials that they did not work for the health clinic.

**Cause:**

There was a lack of internal controls relating to payroll and cash disbursements at the East Jefferson Community Health Center, Inc.

**Effect:**

The lack of adequate internal control implementation significantly increases the risk that material errors and irregularities could exist and not be detected.

**Recommendation:**

Internal control implementation must be improved in the business offices of the health clinic.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.11 No Supporting Documentation on Various Expenditures**

**Criteria:**

An organization should maintain records in such a manner that an "audit trail" is available on all transactions.

**Condition:**

During my attempt to audit the financial statements of the East Jefferson Community Health Center, Inc., several requests were made for canceled checks and/or copies of negotiated checks with bank statements, complete contract files, complete invoices files, bid files, etc. The information provided was grossly inadequate and in most cases simply not provided.

**Cause:**

Insufficient maintenance of supporting documentation is the result of a lack of internal controls relating to cash disbursements.

**Effect:**

Cash disbursements have been made for two years and there may be errors, and/or irregularities that exist but may not be detected due to the lack of documentation maintained at the clinic.

**Recommendation:**

Supporting documentation should be maintained on file for all cash disbursements. This information should be readily available for review.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.12 Delinquent Audit Report Submission**

**Criteria:**

According to Louisiana Revised Statute 24:513A.(5)(a), ".....audits shall be completed within six months of the close of the entity's fiscal year."

**Condition:**

The audit of the financial statements of the East Jefferson Community Health Center, Inc. was not completed within six months of the close of the entity's fiscal year.

**Cause:**

The audit was not engaged timely.

**Effect:**

The organization's inability to provide audited financial statements within the required timeframe may result in further review by the State Legislative Auditor and/or other funding sources.

**Recommendation:**

The East Jefferson Community Health Center, Inc. should engage an auditor in a timely manner and make available all required documentation for audit.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.13 Duplicate Travel Reimbursements**

**Criteria:**

The same expenditures should not be paid and/or reimbursed twice by an organization.

**Condition:**

There were certain travel costs associated with a national health conference, that were reimbursed to both the Executive Director of the East Jefferson Community Health Center, Inc. and two of its' Board members.

**Cause:**

Certain expenses were requested for reimbursement by both the Executive Director and two Board members of the agency. Also, the overall lack of internal controls at the organization allowed for the duplication of these expenditure requests.

**Effect:**

The organization paid for the same travel costs twice.

**Recommendation:**

East Jefferson Community Health Center, Inc. must adopt and implement internal controls that will prevent and/or detect the duplication of expenditures and reimbursements.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.14 Travel Costs Paid for Certain Board of Directors' Family Members**

**Criteria:**

Best practices for sound fiscal management requires an implemented internal control system that would ensure that expenditures are approved and in accordance with budgeted items that benefit the organization.

**Condition:**

Plane tickets were purchased for the wife of a Board Member and the husband of another Board member for separate personal trips utilizing the funds of the East Jefferson Community Health Center, Inc.

**Cause:**

An overall lack of internal controls over cash disbursements caused the purchase of these tickets for personal trips.

**Effect:**

The assets of the East Jefferson Community Health Center, Inc. were not safeguarded against loss and misuse.

**Recommendation:**

It is recommended that internal controls be implemented which will ensure the safeguarding of the assets of the East Jefferson Community Health Center, Inc.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.15 Bid Files Not Maintained**

**Criteria:**

Federal rules and regulations require that bids be secured for certain purchases and/or procurement of services.

**Condition:**

Certain purchases were made and contracts entered into without requests for bids and/or responses to the requests to support the selection process followed.

**Cause:**

There is an overall lack of policies and procedures followed to make cash disbursements at the East Jefferson Community Health Center, Inc.

**Effect:**

Certain contracts and/or purchases were made that may not have benefited the organization.

**Recommendation:**

It is recommended that bids be requested, received, and maintained on file for certain *purchases and/or requests for services*.

**Management's Response:**

Management did not provide prior to the issuance date of this report.



#### **04.16 Payments Made to Contractors without Agreements**

**Criteria:**

Best practices require that any contractual agreements entered into be reduced to writing with specific performance measures and deliverables.

**Condition:**

An \$11,000 payment was made to a certain contractor from which the East Jefferson Community Health Center, Inc. never received a written contract. The organization was also unable to provide evidence of the contractor's work performed.

**Cause:**

An overall lack of internal controls over cash disbursements allowed for the payment to be made without a formal written agreement from the contractor.

**Effect:**

The health center disbursed funds without a formal written agreement and does not have a contract deliverable to support the expenditure.

**Recommendation:**

There should be contracts developed and maintained on file to support applicable cash disbursements.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.17 No Deposit Records for Certain Revenues**

**Criteria:**

Revenues received should be deposited in bank accounts with record of each deposit and the source of funds.

**Condition:**

A local medical center forwarded funds to the East Jefferson Community Health Center, Inc. to operate a clinic in Avondale, Louisiana. Clinic personnel could not provide record of where the funds were deposited, nor where the funds were spent. The accounting records do not detail funds received and/or spent at this particular clinic either.

**Cause:**

There is an overall lack of internal controls maintained at the East Jefferson Community Health Center, Inc.

**Effect:**

Funds were received and spent without supporting documentation to provide an audit trail of those monies.

**Recommendation:**

There should be internal controls adopted and implemented that would safeguard the assets of the East Jefferson Community Health Center, Inc. These controls should also promote receipt and maintenance of supporting documentation of all expenditures.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

#### **04.18 Unpaid Payroll Taxes**

**Criteria:**

Payroll taxes must be remitted timely and in accordance with federal rules and regulations.

**Condition:**

There is an outstanding payroll liability with both the Federal government and the State of Louisiana. The amount was indeterminable by the agency's staff, however they do acknowledge that the taxes were not being paid at certain times.

**Cause:**

The East Jefferson Community Health Center, Inc. has experienced an interruption in receipt of certain federal, state, and local funding. Many expenses incurred have gone unpaid.

**Effect:**

There could be future sanctions taken by both the federal and state government regarding the nonpayment of payroll taxes.

**Recommendation:**

It is recommended that the East Jefferson Community Health Center, Inc. pay all payroll taxes timely and in accordance with federal and state rules and regulations.

**Management's Response:**

Management did not provide prior to the issuance date of this report.

### **Section III – Federal Awards**

The following items listed in the financial statements section also apply to the federal awards:

04.1 through 04.18

#### **04.19 Maintenance of Required Federal Reports**

**Criteria:**

The federal grant from the Department of Human Services requires the submission of an FSR (Financial Status Report) within ninety days of the expiration of the budget period.

**Condition:**

I was unable to test the reporting requirements of the major federal program

**Cause:**

The information was not provided during the audit.

**Effect:**

I could not determine the accuracy of the information reported to the grantor.

**Recommendation:**

All required information both financial and reporting must be maintained on file.

**Management Response:** *Management's response was not provided prior to the issuance of this report.*

#### **04.20 Grant Documents Incomplete**

**Criteria:**

Copies of all grant documents should be maintained on file for future reference relative to revenue reporting and compliance with grant terms.

**Condition:**

Grant documents were available but incomplete.

**Cause:**

*It was indeterminable as to why the grant documents were incomplete.*

**Effect:**

The grant requirements were not completely detailed or provided for audit.

**Recommendation:**

All grant files should be complete and maintained on file for reference and review.

**Management's Response:** Not provided prior to report issuance.

**East Jefferson Community Health Center, Inc.  
Update of Prior Year Findings & Questioned Costs  
For the Two years ended December 31, 2004**

	Resolved	Unresolved
02-01 Lack of Written Accounting Policies and Procedures		X
02-02 Inadequate Third-Party Billings		X
02-03 Billing and Collection of Patient Service Revenue		X
02-04 Lack of Documentation to Support Bank Deposits		X
02-05 Maintenance of Records to Document Expenditures		X
02-06 Property, Plant and Equipment Inventory		X
02-07 Failure to File Medicare Cost Report		X
02-08 Paid Time Off		X
02-09 Compensatory Time		X
02-10 Payroll Records		X
02-11 Maintenance of Required Federal Reports		X
02-12 Grant Documents Incomplete		X

**EAST JEFFERSON**



**COMMUNITY HEALTH CENTER**

11312 Jefferson Highway

Phone (504) 464-0032

Fax (504) 466-3440

River Ridge, LA 70123

July 25, 2005

Mr. Steve J. Theriot, CPA  
Legislative Auditor  
State of Louisiana  
1600 North Third Street  
P. O. Box 94397  
Baton Rouge, Louisiana 70804-9397

Dear Mr. Theriot:

The forgoing is the response to the audit for years ending 2003 and 2004.  
Some of the same issues were resolved with your office in 2004 and we hope that this  
will bring final conclusion to them.

East Jefferson Community Health Center will be prepared for the 2005 end of year audit  
in January 2006.

Please contact me if you need any additional information.

Sincerely;

Joe Aidoo  
Executive Director

Cc: Ms Brendel Deemer CPA  
Ms. Glenda Williams Chairman of the Board  
Mr. Larry Blackman, Chairman Finance Committee  
Mr. George Carter Treasurer

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**REPORTS ON**

**INTERNAL CONTROL AND COMPLIANCE**

**AND**

**CORRECTIVE ACTION PLAN**

**FOR**

**EAST JEFFERSON COMMUNITY HEALTH  
CENTER, INC.**

**July 24, 2005**

# **MEMORANDUM OF ADVISORY COMMENTS**

**EAST JEFFERSON COMMUNITY HEALTH CENTER, INC.**

**INDEPENDENT AUDITOR'S REPORT  
AND FINANCIAL STATEMENTS  
FOR THE TWO YEARS ENDED DECEMBER 31, 2004**



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### **INTERNAL CONTROL AND RELATED MATTERS**

Schedule of Findings and Questioned Cost .....

Corrective Action Plan .....

## **SECTION II - Financial Statements Findings**

### **04.1 Staff Turnover**

#### ***Condition:***

The accounting has had three different Chief Financial Officers in the last two years under audit and three different Executive Directors. In addition, there were several person placed temporary in those seats when they became vacant over the past two years.

#### ***Recommendation:***

The East Jefferson Community Health Center, Inc. should seek to employ and maintain a Chief Financial Officer and executive Director to adequately staff their clinic.

#### ***Management's Corrective Action Plan:***

The board has authorized the CEO to advertise for CFO on June 2, 2005. The board has hired a Chief Financial Officer and instructed the Chief Executive Office to develop a employee retention policy. The board concurs with the need to stabilize both the position of the Chief Executive Officer & Chief Financial Officer.

#### ***Cause for Turnover:***

Natasha Garrett: Terminated for lack of capacity

Henry Charlot: Resigned to start his own Financial Consultant Business.

Carolyn Robinson: Resigned for a position with HANO offering more money.

### **04.2 Incomplete, Untimely, and Un-reconciled Financials Statements**

#### ***Condition:***

Bank accounts remain un-reconciled for the two years ended December 31, 2004 and the financial statements of the clinic appear to be incomplete and inaccurate.

#### ***Recommendation:***

It is recommended that the East Jefferson Community Health Center, Inc. employ an adequate accounting staff who will be required to submit complete and reconciled financial statements on a monthly basis to both upper management and the Board of Directors.

#### ***Management's Corrective Action Plan:***

East Jefferson Community Health Center, Inc. is in the process of hiring staff accountant whose responsibility will be to handle the daily accounting and reconciliation of the financial statements on a monthly basis. In addition, the board has instructed the new CEO to work with the newly hired CFO to implement the accounting & procedures Manual adopted at the July 15, 2004 board meeting. EJCHC will employ an outside CPA to make sure that the entries are adjusted properly.

### **04.3 Inappropriate Use of Journal Entries**

#### ***Condition:***

During my attempt to audit the financial statements of the clinic, I noted an excessive number of journal entries. Additionally, the journal entries were made without an

explanation appearing in the general ledger. There were no journal entry forms maintained on file which may have indicated the reason for each adjustment.

***Recommendation:***

Journal entries should be kept to a minimum and should not be posted without prior review and approval from an accounting supervisor. Journal entry forms should be maintained to fully explain the reason for the entry and to show proper review and approval prior to posting.

***Management's Corrective Action Plan:***

In addition to the system mentioned in 04.2 all journal entries will be approved by Chief Executive Officer and the staff accountant prior to posting in the general ledger.

**04.4 Fund Accounting Not Fully Implemented**

***Condition:***

It was noted that separate classes of expenses were generated to record clinic transactions; however, most of the account classes were not utilized.

***Recommendation:***

An accounting file with appropriate expenses classes must be utilized.

***Management's Corrective Action Plan:***

In accordance with East Jefferson Community Health Center's Operations and Policy and Procedures Manual all expenditures will be classified according to account classes and the appropriate funding sources.

**04.5 Fixed Asset Schedule Not Maintained**

***Condition:***

A fixed asset detail was requested to account for the change in fixed assets from the prior fiscal year. A schedule was provided; however, it had not been updated since the prior fiscal year.

***Recommendation:***

Adequate policies and procedures relating to fixed assets should be adopted and fully implemented in the business office of the clinic.

***Management's Corrective Action Plan:***

In accordance with East Jefferson Community Health Center's Operations and Policy and Procedures Manual all fixed assets will be inventoried on a yearly basis.

**04.6 Computer Laptops Not Located**

***Condition:***

The clinic purchased seven laptops in 2003 to be utilized by personnel members. At the time of the audit, the clinic could only locate two of the seven laptops.

***Recommendation:***

The health center should develop and implement policies and procedures that will safeguard the assets of the organization.

***Management's Corrective Action Plan:***

In accordance with East Jefferson Community Health Center's Operations and Policy and Procedures Manual only the CEO can authorize the removal of equipment from the clinic premises. Of the two laptops identified one was in disrepair.

**04.7 No Operations and/or Accounting Manuals**

***Condition:***

The organization did not have any written operations and/or accounting manuals on file during the two fiscal years ended December 31, 2004.

***Recommendation:***

Operating and Accounting Manuals must be developed and maintained. They should be provided to staff as a reference point that is deemed important to day to day operations of the organization.

***Management's Corrective Action Plan:***

On July 15, 2004, the board passed a Policy & Procedures Manual. These documents were forwarded to Mr. John Stevens with the Legislative Auditor's office on July 15, 2004. The board maintains on file and at East Jefferson Community Health Center both manuals.

**04.8 No Record of Funds from A Certificate of Deposit**

***Condition:***

There was an \$11,000 certificate of deposit maintained at a local bank; however, the certificate of deposit was cashed and information regarding the spending of those funds was not provided.

***Recommendation***

Funds should not be made available and/or spent East Jefferson Community Health Center, Inc. until they have gone through a documented approval process with checks and balances in place.

***Management's Corrective Action Plan:***

Management will adhere to Financial Controls & Operations & Policy Procedures Manual. This certificate was used as security/collateral for the Credit Card. These proceeds were used to pay off the credit card balance when the account was terminated. The balance of the certificate was applied to reduce the line of credit.

**04.9 Credit Card Records Unavailable**

***Condition:***

There were several payments made to credit card companies without a detail of the items purchased and/or the persons responsible for the purchases. Credit card statements were not made available during my attempt to audit the financial statements of the clinic.

***Recommendation:***

It is recommended that all credit card accounts be closed and the East Jefferson Community Health Center, Inc. utilizes a purchase requisition and/or purchase order system.

***Management's Corrective Action Plan:***

All credit card accounts have been cancelled at this time.

**04.10 Inadequately Documented Employee Earnings**

***Condition:***

Payments were made to the daughters of a prior Board member who informed State officials that they did not work for the health clinic.

***Recommendation:***

Internal control implementation must be improved in the business offices of the health clinic.

***Management's Corrective Action Plan:***

The board was informed by our former Executive Director that he terminated the contract with Temps Today Staffing, Inc. for non-performance. Our medical teams complained that the agency personnel was not working or filing the reports in the correct charts. He terminated the contract and included the services under Global Information Services, Inc. (GIS) contract on an emergency basis. Once GIS resolved the problem with the assistance of our medical staff GIS's contract was terminated. All services performed by GIS were brought in house and the need for out sourcing these services were eliminated.

The two (2) employees' did not work for East Jefferson Community Health Center. The employees worked for Global Information Services, Inc. East Jefferson Community Health Center does not fire or authorize the hiring of vendor employee. East Jefferson Community Health Center maintains personnel files on all employees of East Jefferson Community Health Center. This finding was resolved in 2004 in an audit by the Louisiana State Legislative Auditor's office.

**04.11 No Supporting Documentation on Various Expenditures**

***Condition:***

During my attempt to audit the financial statements of the East Jefferson Community Health Center, Inc., several requests were made for canceled checks and/or copies of negotiated checks with bank statements, complete contract files, complete invoices files, bid files etc. The information provided was grossly inadequate and in most cases simply not provided.

***Recommendation:***

Supporting documentation should be maintained on file for all cash disbursements. This information should be readily available for review.

***Management's Corrective Action Plan:***

Management has adopted the Operations & Policy and Procedures Manual and all cash disbursements will be adhered to proper procedures.

#### **04.12 Delinquent Audit Report Submission**

***Condition:***

The audit of the financial statements of the East Jefferson Community Health Center, Inc. was not completed within six months of the close of the entity's fiscal year.

***Recommendation:***

The East Jefferson Community Health Center, Inc. should engage an auditor in a timely manner and make available all required documentation for audit.

***Management's Corrective Action Plan:***

East Jefferson Community Health Center, Inc. will continue to engage auditors in a timely manner. East Jefferson Community Health Center engaged Rebowe & Company to perform the 2003 audit. The auditor that were engaged withdrew because the documents needed to perform the audit were in the possession of the Legislative Auditor's office.

#### **04.13 Duplicate Travel Reimbursements**

***Condition:***

There were certain travel costs associated with a national health conference, that were reimbursed to both the Executive Director of the East Jefferson Community Health Center, Inc. and two of its' board members.

***Recommendation:***

East Jefferson Community Health Center, Inc. must adopt and implement internal controls that will prevent and/or detect the duplication of expenditures and reimbursements.

***Management's Corrective Action Plan:***

East Jefferson Community Health Center Inc. has implemented an Accounting & Policy Procedures Manual that will detect the duplication of expenditures and/or reimbursements.

#### **04.14 Travel Cost for Certain Board of Directors' Family Members**

***Condition:***

Plane tickets were purchased for the wife of a Board Member and the husband of another Board Member for separate personal trips utilizing the funds of the East Jefferson Community Health Center, Inc.

***Recommendation:***

It is recommended that internal controls be implemented which will endure the safeguarding of the assets of the East Jefferson Community Health Center, Inc.

***Management's Corrective Action Plan:***

The Board has adopted a Travel Policy & Procedures Manual. These funds were reimbursed to the clinic by both board members when it was brought to their attention. Additionally, the Board will adhere to the Travel Policy & Procedures

Manual. This matter was resolved by the Louisiana Legislative Auditor in 2004 when the board members reimbursed East Jefferson Community Health Center, Inc.

#### **04.15 Bid Files Not Maintained**

***Condition:***

Certain purchases were made and contracts entered into without request for bids and/or responses to the requests to support the selection process.

***Recommendation:***

It is recommended that bids be requested, received, and maintained on file for certain purchases and/or requests for services.

***Management's Corrective Action Plan:***

East Jefferson Community Health Center will adhere to Operations and Policy Procedures Manual and Accounting Procedures Manual.

#### **04.16 Payments Made to Contractors without Agreements**

***Condition:***

An \$11,000 payment was made to a certain contractor from which the East Jefferson Community Health Center, Inc. never received a written contract. The organization was also unable to provide evidence of the contractor's work performed.

***Recommendation:***

There should be contracts developed and maintained on file to support applicable cash disbursements.

***Management's Corrective Action Plan:***

The \$11,000 payment was made as good faith deposit while East Jefferson Community Health Center, Inc. and the equipment suppliers were negotiating for a long term service agreement. The Board of East Jefferson Community Health Center has resolved to curtail the negotiation. The equipment has been refunded and balance of funds has been refunded to East Jefferson Community Health Center, Inc.

#### **04.17 No Deposit Records for Certain Revenues**

***Condition:***

A local medical center forwarded funds to the East Jefferson Community Health Center, Inc. to operate a clinic in Avondale, Louisiana. Clinic personnel could not provide records of where the funds were deposited, nor where the funds were spent. The accounting records do not detail funds received and/or spent at this particular clinic either.

***Recommendation:***

There should be internal controls adopted and implemented that would safeguard the assets of the East Jefferson Community Health Center, Inc. These controls should also promote receipt and maintenance of supporting documentation of all expenditures.

***Management's Corrective Action Plan:***

All deposits are presently being deposited separately ie dental etc. Copies of deposit slip are being made so that the deposit could match the daily revenue

#### **04.18 Unpaid Payroll Taxes**

***Condition:***

There is an outstanding payroll liability bond with both the Federal government and the State of Louisiana. The amount was indeterminable by the agency's staff; however, they do acknowledge that the taxes were not being paid at certain times.

***Recommendation:***

It is recommended that the East Jefferson Community Health center, Inc. pay all payroll taxes timely and in accordance with federal and state rules and regulations.

***Management's Corrective Action Plan:***

East JCHC currently uses paychecks to maintain all payroll expenses and distributions relative to current federal and stated obligations. East Jefferson Community Health center entered into a forbearance agreement on prior outstanding taxes.

### **SECTION III - Federal Awards**

#### **04.19 Maintenance of Required Federal Reports**

***Condition:***

I was unable to test the reporting requirements of the major federal program.

***Recommendation:***

All required information both financial and reporting must be maintained on file.

***Management's Corrective Action Plan:***

East Jefferson Community Health Center, Inc. will maintain required Federal Reports for three (3) years for the purpose of audit.

#### **04.20 Grant Documentation Incomplete**

***Condition:***

Grant documents were available but incomplete.

***Recommendation:***

All grant files should be complete and maintained on file for reference review.

***Management's Corrective Action Plan:***

East Jefferson Community Health Center, Inc. will make copy of grant applications and notice for review.